



United States Rail Services, Inc.  
633 Battery Street  
San Francisco, California 94111  
(415) 445-7690

OCT 7 - 1980-11 45 AM

INTERSTATE COMMERCE COMMISSION

REGISTERED MAIL  
RETURN RECEIPT REQUESTED

September 23, 1980

Ms. Agatha L. Mergenovich  
Secretary  
Interstate Commerce Commission  
Washington, D. C. 20423

Dear Ms. Secretary:

On behalf of United States Rail Services, Inc., I submit for filing and recording under 49 U.S.C. Sec. 111303(a), a Railroad Car Lease dated December 21, 1971 and a First Amendment to Railroad Car Lease dated December 21, 1971, between United States Rail Services, Inc. and Ben Frankfield duly executed and notarized. I also enclose three certified true copies of each of the Railroad Car Lease and First Amendment to Railroad Car Lease.

The addresses of the parties to this transaction are:

United States Rail Services, Inc., as managing agent  
633 Battery Street  
San Francisco, CA 94111

Ben Frankfield, as car owner  
2328 Telegraph Avenue  
Oakland, CA 94612

The Management agreement covers the following equipment:

One 100 ton, 21,000 gallon class DOT111A100W1  
tank car, TGOX 2206.

Enclosed is a check in the amount of \$50.00 in payment of the recording fee.

RECEIVED  
OCT 7 11 42 AM '80  
FEE OPERATION CR.  
I.C.C.

RECORDATION NO. 12278-A  
OCT 7 - 1980-11 45 AM  
INTERSTATE COMMERCE COMMISSION

No. 281A028

Date OCT 7 1980

Fee \$ 50.00

ICC Washington, D. C.

Ms. Agatha L. Mergenovich  
September 23, 1980  
Page 2

Once the filing has been made, please return

- (a) the original document file stamped;
- (b) the file stamped conformed copies not required for filing purposes;
- (c) the receipt;
- (d) the letter from the Interstate Commerce Commission acknowledging the filing and
- (e) the extra copy of this letter of transmittal.

Should you have any questions, please call me at (415) 445-7824.

Very truly yours,

UNITED STATES RAIL SERVICES, INC.

By *Lance C. I. Chizman*  
Title Assistant Secretary

Enclosures

12278-A  
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INTERSTATE COMMERCE COMMISSION ATTACHMENT 2

FIRST AMENDMENT TO  
RAILROAD CAR LEASE

This First Amendment to Railroad Car Lease made this 21st day of Dec., 1971, by and between RAIL-U.S. LEASING INCORPORATED, a California corporation (hereinafter "RAIL-U.S. LEASING") and Ben Frankfield of Oakland, State of California, (hereinafter "OWNER").

## WITNESSETH:

WHEREAS, OWNER and RAIL-U.S. LEASING have heretofore on the 21st day of Dec., 1971 or concurrently with the execution of this document have, entered into a Railroad Car Lease in the form approved by the Commissioner of Corporations of the State of California in its Permit dated October 3, 1969; and

WHEREAS, the parties hereto desire to amend the said Railroad Car Lease in a manner and on the terms and conditions hereinafter set forth; and

WHEREAS, the following amendment has been approved by the Commissioner of Corporations on the 28th day of December, 1970.

NOW, THEREFORE,

In consideration of the promises and agreements hereinafter set forth, it is agreed that the said Railroad Car Lease above referred be and the same is hereby amended as follows:

1. Subparagraph (c) of paragraph 2 of said Lease is amended to read as follows:

"(c) To pay to OWNER as a 'quarterly rental fee' the pro rata 'quarterly net operating profit' for each car subject to this Lease as the same is determined under the provisions of paragraph 3 of this Lease."

2. Subparagraph (d) of paragraph 2 of said Lease is deleted in its entirety.

3. Subparagraphs (b) and (c) of paragraph 3 of said Lease are hereby deleted and in lieu thereof the following subparagraphs are inserted:

"(b) RAIL-U.S. LEASING shall deduct from such aggregate gross income a sum equal to all costs and expenses paid during the quarter for the operation and control of all such cars, regardless of when incurred or what cars charged to, including, but not limited to, refunds due railroads or car users for overpayment of mileage earnings or for mileage equalization charges, all maintenance and repairs, registration fees and ad valorem property taxes. All such costs and expenses shall be charged against 'aggregate gross income' for the calendar quarter when actually paid by RAIL-U.S. LEASING.

(c) RAIL-U.S. LEASING shall also deduct from such aggregate gross income a management fee of 35% of the quarterly net operating profit (aggregate gross income as defined in subparagraph (a) hereof), less all expenses defined in subparagraph (b) hereof, but before deducting the management fee provided for in this subparagraph (c) provided however that the said management fee shall not exceed an average of \$300.00 per car per quarter calculated over the previous four calendar quarters. In the event that the management fee charged for the four previous calendar quarters exceeds the aggregate sum of ~~.....~~ \$1,200.00 RAIL-U.S. LEASING shall refund the excess to the OWNER. Such excess shall be determined chronologically, pro rata by quarter, commencing with the first quarter in which the management fee was in

excess of the sum of \$300.00. In no event, however, shall the annual management fee under this amendment exceed the annual management fee as computed under the terms of the original Railroad Car Lease for the term of that Lease. For multiple car ownership, the management fee to be charged by RAIL-U.S. LEASING shall be as set forth in attachment A, attached thereto.

(d) The amount by which such 'aggregate gross income' exceeds the expense deductions set forth in subparagraph (b) hereof and the management fee as set forth in subparagraph (c) hereof, shall be deemed the 'quarterly net operating profit' for the cars operated under this form of Lease. Such 'quarterly net operating profit' shall then be allocated to each car operated within each calendar quarter on a pro rata basis determined by the number of days each car was operated by RAIL-U.S. LEASING within the quarter, to reach the 'quarterly rental fee' provided for in paragraph 2(c) hereof, and said 'quarterly rental fee' shall be paid to car owners after collection, as hereinafter provided in paragraph 4, but if not collected within thirteen (13) months all revenues thereafter collected shall be included in the 'aggregate gross income' for the calendar quarter when collected and disbursed to the car owners actually operating the cars in the calendar quarter."

4. Paragraph 4 of said Lease is hereby amended to read as follows:

"4. The 'quarterly rental fee' payable to OWNER shall be paid to OWNER within ninety (90) days after the end of each calendar quarterly accounting period."

5. Paragraph 6 of said Lease is hereby amended to read as follows:

"6. OWNER agrees to reimburse RAIL-U.S. LEASING promptly upon demand for the amount of any pro rata expenses allocated to any of OWNER's railroad cars, and if a reserve is being maintained, then in excess of any amount set aside in the reserve therefore, if in any quarter such expenses exceed the 'aggregate gross income' for that quarter."

6. The provisions of "Attachment A to Railroad Car Lease" be and the same are hereby amended to read as follows:

"RAIL-U.S. LEASING agrees to grant to car owners who have leased to RAIL-U.S. LEASING for a full calendar quarter, five (5) or more tank cars, the following discounts from the management fee payable to RAIL-U.S. LEASING:

Number of Cars	Discount (In U.S. Dollars per month per car)
5 - 9 tank cars	\$ 5.00
10 - 14 tank cars	6.25
15 - 19 tank cars	7.50
20 - 24 tank cars	8.75
25 and over tank cars	10.00

7. The terms and provisions of this Amendment shall be effective with respect to all calendar quarters commencing with the calendar quarter beginning on July 1, 1970.

8. RAIL-U.S. LEASING is hereby given the right to terminate and cancel this Amendment in its entirety at any time upon giving a thirty (30) day written notice to each owner provided, however, that said thirty (30) day written notice must be given at least thirty (30) days prior to the end of any calendar quarter during the term of the Lease, such termination to be effective for the calendar quarter in which such notice is given. In the event of such termination, RAIL-U.S. LEASING shall have no right to recalculate the management fee under the terms of the Railroad Car Lease for the period during which fees were calculated by application of this Amendment.

9. Except as herein amended, the Railroad Car Lease heretofore entered into between OWNER and RAIL-U.S. LEASING is ratified, confirmed and approved.

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment to Railroad Car Lease this 21st day of Dec, 19 71

Ben Frankfield  
Owner Ben Frankfield

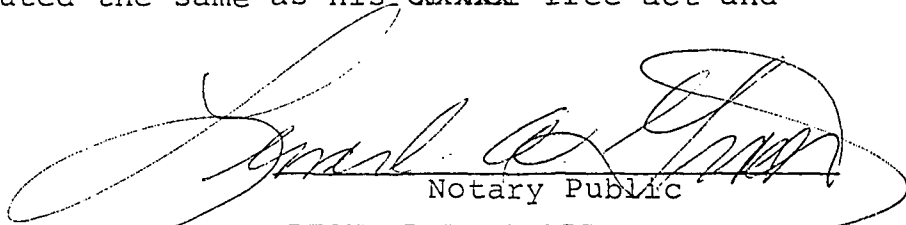
RAIL-U.S. LEASING, INCORPORATED

BY Myron M. Christy  
President, Myron M. Christy

ATTEST: [Signature]  
Secretary Marvin Ferenstein

STATE OF CALIFORNIA )  
 ) SS  
COUNTY OF ALAMEDA )

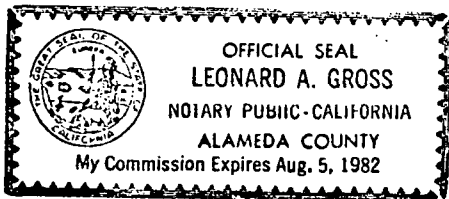
On this 18th day of Sept., 1980,  
before me personally appeared Ben Frankfield  
and \_\_\_\_\_, to me known to be  
the person(s) described in and who executed the  
foregoing Railroad Car Lease dated December 21, 1971  
and First Amendment to Railroad Car Lease dated  
December 21, 1971 and he or she acknowledge that he  
~~xxxxx~~ executed the same as his ~~xxxxx~~ free act and  
deed.

  
Notary Public

LEONARD A. GROSS

(SEAL)

My commission expires:



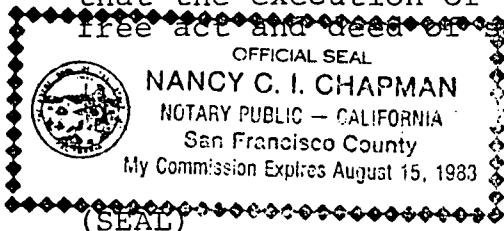
STATE OF CALIFORNIA

)

) SS

CITY AND COUNTY OF SAN FRANCISCO)

On this 23rd day of September, 1980,  
before me personally appeared Myron M. Christy  
to me known to be the person described in and who  
executed the foregoing First Amendment to Railroad Car  
Lease dated December 21, 1971 on behalf of United  
States Rail Services, Inc. (formerly called Rail-U. S.  
Leasing, Incorporated), a California corporation, by  
authority of its Board of Directors, and he acknowledged  
that the execution of the foregoing instrument was the  
free act and deed of said corporation.



Nancy C. I. Chapman

My commission expires: August 15, 1983

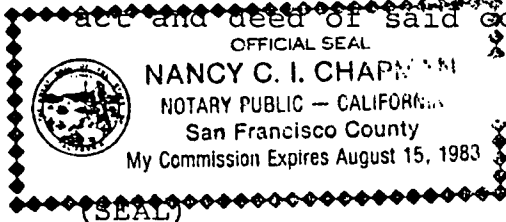
STATE OF CALIFORNIA

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CITY AND COUNTY OF SAN FRANCISCO)

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act and deed of said corporation.



Nancy C. I. Chapman

My commission expires: August 15, 1983